

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re: FIELDWOOD ENERGY LLC, <i>et al.</i>, Debtors.¹	§ § § § § § §	Chapter 11 Case No. 20-33948 (MI) (Jointly Administered)
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**SUPPLEMENT TO EMERGENCY MOTION TO COMPEL
BP EXPLORATION & PRODUCTION INC. TO PERFORM PRE-PETITION
CONTRACTS AND UPDATE IN ADVANCE OF FEBRUARY 1, 2021
STATUS CONFERENCE**

Emergency relief has been requested. A status hearing on this matter is scheduled for Monday, February 1, 2021 at 4:00 p.m. Central Prevailing Time.

Audio communication will be by use of the Court's dial-in facility. You may access the facility at (832) 917-1510. You will be responsible for your own long distance charges. Once connected, you will be asked to enter the conference room number. Judge Isgur's conference room number is 954554.

You may view video via GoToMeeting. To use GoToMeeting, the Court recommends that you download the free GoToMeeting application. To connect, you should enter the meeting code "JudgeIsgur" in the GoToMeeting app or click the link on Judge Isgur's home page on the Southern District of Texas website. Once connected, click the settings icon in the upper right corner and enter your name under the personal information setting.

Hearing appearances must be made electronically in advance of the hearing. To make your electronic appearance, go to the Southern District of Texas website and select "Bankruptcy Court" from the top menu. Select "Judges' Procedures," then "View Home Page" for Judge Isgur. Under "Electronic Appearance" select "Click here to submit Electronic Appearance". Select the case name, complete the required fields and click "Submit" to complete your appearance.

If you object to the relief requested or you believe that emergency consideration is not warranted, you must either appear at the hearing or file a written response prior to the hearing. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.

Relief is requested not later than February 1, 2021.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: Fieldwood Energy LLC (6778), Fieldwood Energy Inc. (4991), Fieldwood Onshore LLC (3489), Fieldwood SD Offshore LLC (8786), Fieldwood Energy Offshore LLC (4494), Fieldwood Offshore LLC (2930), GOM Shelf LLC (8107), FW GOM Pipeline, Inc. (8440), Galveston Bay Procession LLC (5703), Galveston Bay Procession LLC (0422), Fieldwood Energy SP LLC (1971), Dynamic Offshore Resources NS, LLC (0158), Bandon Oil and Gas, LP (9266), and Bandon Oil and Gas GP, LLC (9172). The Debtors' primary mailing address is 2000 W. Sam Houston Parkway S., Suite 1200, Houston, TX 77042.

Fieldwood Energy LLC (“**Fieldwood**”) and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), respectfully submit this *Supplement to Emergency Motion* (“**Emergency Motion**”) to *Compel BP Exploration & Production Inc.* (“**BP**”) to *Perform Pre-Petition Contracts and Update in Advance of February 1, 2021 Status Conference* (“**Supplement**”) and show the Court as follows:

1. At the January 28, 2021 status conference concerning the Emergency Motion, BP’s counsel represented to the Court that BP would “take all action allowed by law to prepare to do the work.”² In advance of the status conference set for February 1, 2021 at 4:00 p.m. CT, the Debtors submit the following updates to the Court on what has occurred since the January 28, 2021 status conference.

2. Regrettably, BP has not done what it told the Court on January 28, 2021 it would do and four days have since passed with no progress toward addressing the emergent situation. To summarize, Fieldwood has worked diligently to move things along and BP, as seen by the January 31, 2021 letter from its counsel,³ has not acted consistently with its representations to the Court on January 28. The following timeline reflects events following the January 28, 2021 status conference, which ended at approximately 3:40 p.m. CT:

- **January 28, 2021 at 4:34 p.m. CT** – BP provides Fieldwood with an SOP schedule showing the Genovesa well going online on May 31, 2021, notwithstanding that the lease terminates on April 5, 2021.⁴

² Hr’g Tr. 17:22, Jan. 28, 2021.

³ See Supplemental Declaration of Erin M. Choi (“**Suppl. Choi Decl.**”) Exhibit H, which is being filed contemporaneously herewith.

⁴ Suppl. Choi Decl. Exhibit I.

- **January 28, 2021 at 7:59 p.m. CT** – Fieldwood sends BP a list of 19 activities that BP could begin taking to ensure the Genovesa well begins producing before the lease expires on April 5, 2021.⁵ BP does not respond.
- **January 29, 2021 at 4:35 p.m. CT** – Fieldwood provides BP with signed Sole Benefit AFE for the Temporary Genovesa Single Flowline.⁶ BP does not respond.
- **January 29, 2021 at 4:50 p.m. CT** – Red Willow sends approval of the Single Flowline subject to AFE.⁷ BP does not respond.
- **January 29, 2021 at 5:05 p.m. CT** – Houston Energy sends an executed AFE for the Temporary Genovesa Single Flowline.⁸ BP does not respond.
- **January 29, 2021 at 5:36 p.m. CT** – Fieldwood objects to BP’s inclusion in its SOP schedule of 45 days for activities that are within BP’s control and should already have been started or could be started while awaiting approval of the permit.⁹ Fieldwood’s response includes a proposed SOP activity schedule. Fieldwood also reiterates that, “as we have offered in the past, we are fully prepared to take over operations of the Single Flow Line project if BP is not certain it can complete it in time to bring Genovesa on line before 5 April 2020.” BP does not respond.
- **January 31, 2021 at 10:24 a.m. CT** – BP sends Fieldwood a letter through counsel stating that “production from the Genovesa well will not commence until on or about May 31, 2021.”¹⁰ This letter also states that a number of other activities that are allowed by law and can immediately get underway will not begin at the current time despite BP’s January 28,

⁵ Suppl. Choi Decl. Exhibit J.

⁶ Suppl. Choi Decl. Exhibit K.

⁷ Suppl. Choi Decl. Exhibit L.

⁸ Suppl. Choi Decl. Exhibit M.

⁹ Suppl. Choi Decl. Exhibit N.

¹⁰ Suppl. Choi Decl. Exhibit H.

2021 representations to the Court to the contrary. For example, BP's letter states that, "As to items #1 and 10, BP will secure the vessel(s) and the referenced equipment/personnel once the letter agreement for the LSPS loop restoration is approved by the bankruptcy court and executed by the parties, and the sole benefit AFEs are approved." Importantly, there is no legal requirement for that agreement to be signed before the Single Flowline Project goes forward. Further, BP's letter states that, "As to #19, BP agrees that these are important operational procedure and training matters, but they will progress in line with the project plan and not necessarily by the end of February," without providing any additional information or basis for this timeline. BP's letter also incorrectly claims that "Mr. Vaughn stated that Fieldwood doesn't believe an SOP is needed or necessary," which mischaracterizes Mr. Vaughn's statement. What Mr. Vaughn actually stated is that, "We don't believe that an SOP should be necessary because we are confident that, working together, bringing Genovesa on line before 5 April 2021 is very achievable."¹¹ Mr. Vaughn also made clear that, "out of an abundance of caution given the recent DOI order, we are finalizing an application for SOP to be ready to submit to BSEE."¹² In fact, Fieldwood has already prepared an application and paid for the submission, and the only thing pending is the attachment of an agreed activity schedule.

- **January 31, 2021 at 7:20 p.m. CT** – Through counsel, BP sends Fieldwood a revised draft of the loop restoration agreement.¹³ Like BP's January 31, 2021 letter, BP's draft agreement sent on January 31, 2021 includes a schedule showing that production for the

¹¹ Suppl. Choi Decl. Exhibit N.

¹² *Id.*

¹³ Suppl. Choi Decl. Exhibit O. Notably, Fieldwood turned the prior draft in one day, while BP had the letter agreement draft from January 21–31, 2021. The parties also had a teleconference on January 22, 2021 to go through it. Despite Fieldwood's requests that BP promptly return the agreement, BP did not send it back until January 31, 2021.

Genovesa well will not begin until May 31, 2021. While Fieldwood will continue to negotiate this agreement with BP in good faith, Fieldwood maintains that there is no legal requirement for this agreement to be finalized before BP moves forward with the Single Flowline Project.

3. At bottom, four days have passed since the January 28 status hearing, and BP's subsequent actions and January 31, 2021 letter indicate that BP is not responding to the emergency nature of the situation and that BP is not acting consistently with the representations it made to the Court. The Debtors, therefore, ask the Court to move forward with a hearing on the Emergency Motion at the earliest possible date.

WHEREFORE, the Debtors respectfully request entry of an order granting the relief requested herein and such other and further relief, at law or in equity, as the Court may deem just and appropriate.

Dated: February 1, 2021
Houston, Texas

/s/ Alfredo R. Pérez

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Certificate of Accuracy

I certify that the facts and circumstances described in the above pleading giving rise to the emergency request for relief are true and correct to the best of my knowledge, information, and belief.

/s/ Alfredo R. Pérez

Alfredo R. Pérez

Certificate of Service

I hereby certify that, on February 1, 2021, a true and correct copy of the foregoing document was served as provided by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Alfredo R. Pérez

Alfredo R. Pérez